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FM AMEMBASSY BUCHAREST

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RUEHIT/AMCONSUL ISTANBUL PRIORITY 0189

RUEHC/SECSTATE WASHDC PRIORITY 8358

INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY

RUEHBS/USEU BRUSSELS PRIORITY 0017

RHMCSUU/DEPT OF ENERGY WASHINGTON DC PRIORITY

RUCPDOC/DEPT OF COMMERCE WASHINGTON DC PRIORITY

C O N F I D E N T I A L BUCHAREST 000450

SIPDIS

STATE PASS USTDA FOR DSTEIN/JMERRIMAN USEU BRUSSELS FOR SPECIAL ENVOY GRAY

E.O. 12958: DECL: 06/04/2018
TAGS: <u>ENIV</u> <u>ENRG</u> <u>PGOV</u> <u>PREL</u> <u>RO</u> <u>TU</u>

SUBJECT: ROMANIA: TURKISH AMBASSADOR ON LNG AND NABUCCO

Classified By: Ambassador Nicholas F. Taubman for reasons 1.4(b) and (d)

- 11. (C) Summary. In a June 2 meeting with the Ambassador, Turkish Ambassador to Romania Ayse Sinrilioglu said that LNG transit through the Bosporus straits to service a proposed LNG plant in Constanta would be viewed negatively by the Turkish Government. She urged the U.S. to focus instead on lobbying for completion of the Nabucco pipeline. Of particular importance is strong U.S. engagement with potential suppliers, especially with Turkmenistan. End Summary.
- 12. (C) In a June 2 courtesy call by the Ambassador, Turkish Ambassador to Romania Ayse Sinrilioglu commented in general on U.S. energy diplomacy, saying that, in her view, this has been an area ignored for too long by the United States. She believes that increased attention from Washington is a positive development and reacted favorably to the Ambassador's assurance that energy security would remain high on the agenda for the next administration. Sinrilioglu strongly emphasized the need for U.S. engagement with Turkmenistan, saying that while the last Turkmen president was "isolated," things now appear to be changing. She agreed with the Ambassador that the EU must have a coherent strategy when it comes to energy, saying that if nothing is done now, EU dependence on Russian energy, and susceptibility to Russian influence, will prove increasingly difficult to counterbalance in the long term.
- 13. (C) Sinrilioglu reacted negatively to the prospect of a USTDA-funded feasibility study for an LNG terminal in the port of Constanta. The central problem is the number of additional ships which would have to come through the already congested Bosporus, she said. Emphasizing the narrowness of the straits, Sinrilioglu believes the Turkish people living nearby would be opposed to LNG transit. She expressed her hope that USTDA would consult with the Turkish Government in the course of sponsoring any LNG terminal feasibility study.
- 14. (C) Instead of LNG, Sinrilioglu said that completing Nabucco was a much preferred option for the Turkish Government. Nabucco will provide competition to Russia and undermine Russia's monopoly power. It will serve as a concrete example to the Russians of the EU working together and will have immediate influence on Russian behavior in the energy market. Sinrilioglu urged that the U.S. focus exclusively on promoting the completion of Nabucco.
- 15. (C) Comment: Sinrilioglu's comments on LNG transit conflict with what post has heard from GOR interlocutors about their own discussions on this issue with Turkish

officials, up to and including the President. Having made similar comments in an earlier discussion with the Ambassador, it is clear that from Sinrilioglu's point of view, LNG transit through the Bosporus is a non-starter. That said, she made clear that Turkey welcomes U.S. involvement in Eurasian energy issues and sees a helpful U.S. role in encouraging the completion of Nabucco. Sinrilioglu acknowledged that the Turkey-Romania relationship is an important one with strategic implications for the Black Sea, which suggests that Romanian energy security interests, including LNG transit, cannot be easily dismissed. It isn't clear to what extent Sinrilioglu's views directly mirror those of Turkey's t